Federal Communications Commission 445 12<sup>th</sup> Street, S.W. Washington, D.C. 20554

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DA 06-522

Released: March 2, 2006

# DOMESTIC SECTION 214 APPLICATION FILED FOR TRANSFER OF CONTROL OF OREGON TELECOM, INC. TO ESCHELON TELECOM, INC.

#### STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 06-41

Comments Due: March 16, 2006

Reply Comments Due: March 23, 2006

On February 2, 2006, Oregon Telecom, Inc. ("OTI") and Eschelon Telecom, Inc. ("ETI") (collectively, "Applicants"), filed an application, pursuant to section 63.04 of the Commission's rules, <sup>1</sup> requesting authority to transfer control of OTI to ETI.<sup>2</sup>

Applicants assert that this transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(i) of the Commission's rules. Immediately following the transaction: (1) ETI and its affiliates will hold less than a 10% market share in the interstate, interexchange market; and (2) ETI and its affiliates will provide local exchange services or exchange access services only in geographic areas served by a dominant local exchange carrier ("LEC") that is not a party to this transaction. With respect to section 63.03(b)(2)(i), none of the Applicants or their affiliates is dominant with respect to any U.S. domestic telecommunications service.<sup>3</sup>

OTI, an Oregon corporation, is a non-dominant carrier providing resold local and long distance voice, Internet, and data services to small and medium-sized businesses in Oregon and Washington.

ETI, a Delaware corporation, is a non-dominant carrier. ETI and its subsidiaries provide

<sup>47</sup> C.F.R § 63.04; see 47 U.S.C. § 214.

Applicants are also filing applications for transfer of control associated with authorization for international services. Any action on this domestic 214 application is without prejudice to Commission action on other related, pending applications.

<sup>&</sup>lt;sup>3</sup> 47 C.F.R. § 63.03(b)(2)(i).

local and long distance voice, data, and Internet services and business telephone systems in Arizona, California, Colorado, Minnesota, Nevada, New York, Oregon, Utah, and Washington. Additionally, ETI is authorized to provide telecommunications services in Idaho and New Mexico. The following U.S. entities hold a 10% or greater ownership interest in ETI: Wind Point Partners IV, L.P. (20.5%); and Bain Capital Fund VI, L.P. (25.7%). No other entity holds a 10% or greater ownership interest in ETI.

On January 26, 2006, Applicants entered into an agreement whereby OTI will merge with Eschelon Acquisition Corp., an Oregon corporation and a direct wholly owned subsidiary of Eschelon Operating Company, Inc. ("OPCO"), a Minnesota corporation and a direct wholly owned subsidiary of ETI. Pursuant to the agreement, OTI will be the surviving corporation of the merger. Following the merger, Eschelon Acquisition Corp. will cease to exist and OTI shall continue as a wholly owned subsidiary of OPCO, which will continue to be wholly owned by ETI.

Applicants state that the proposed transaction serves the public interest because: (1) the transaction involves no change in the entity providing service directly to customers or to the end user services, rates, terms, and conditions of such services; (2) all existing tariffs will remain in place; (3) the transfer of control will be entirely transparent to OTI customers and will not have any adverse impact on them; and (4) the transaction will increase competition.

### **GENERAL INFORMATION**

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer of control application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to sections 1.415 and 1.419 of the Commission's rules, 47 CFR §§ 1.415, 1.419, interested parties may file comments on or before March 16, 2006 and reply comments on or before March 23, 2006.<sup>4</sup> Unless otherwise notified by the Commission, Applicants are permitted to transfer the assets and related control on the 31<sup>st</sup> day after the date of this notice.<sup>5</sup> Comments may be filed using: (1) the Commission's Electronic Comment Filing System (ECFS), (2) the Federal Government's eRulemaking Portal, or (3) by filing paper copies. See Electronic Filing of Documents in Rulemaking Proceedings, 63 FR 24121 (1998).

Electronic Filers: Comments may be filed electronically using the Internet by accessing the ECFS: http://www.fcc.gov/cgb/ecfs/ or the Federal eRulemaking Portal: http://www.regulations.gov. Filers should follow the instructions provided on the website for submitting comments.

See 47 C.F.R. § 63.03(a).

Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

- For ECFS filers, if multiple docket or rulemaking numbers appear in the caption of this proceeding, filers must transmit one electronic copy of the comments for each docket or rulemaking number referenced in the caption. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions, filers should send an e-mail to <a href="mailto:ecfs@fcc.gov">ecfs@fcc.gov</a>, and include the following words in the body of the message, "get form." A sample form and directions will be sent in response.
- Paper Filers: Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number.

Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

The Commission's contractor will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of <u>before</u> entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class, Express, and Priority mail should be addressed to 445 12th Street, S.W., Washington D.C. 20554.

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to <a href="fcc504@fcc.gov">fcc504@fcc.gov</a> or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice), 202-418-0432 (tty).

# You may submit comments, identified by the above noted docket number, by any of the following methods:

- Federal eRulemaking Portal: <a href="http://www.regulations.gov">http://www.regulations.gov</a>. Follow the instructions for submitting comments.
- Federal Communications Commission's Web Site: <a href="http://www.fcc.gov/cgb/ecfs/">http://www.fcc.gov/cgb/ecfs/</a>. Follow the instructions for submitting comments.
- People with Disabilities: Contact the FCC to request reasonable accommodations (accessible format documents, sign language interpreters, CART, etc.) by e-mail: FCC504@fcc.gov or phone: 202-418-0530 or TTY: 202-418-0432.

### In addition, one copy of each pleading must be sent to each of the following:

- (1) The Commission's duplicating contractor, Best Copy and Printing, Inc., 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, <a href="https://www.bcpiweb.com">www.bcpiweb.com</a>; phone: (202) 488-5300 fax: (202) 488-5563;
- (2) Tracey Wilson-Parker, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C212, Washington, D.C. 20554; email: <a href="mailto:tracey.wilson-parker@fcc.gov">tracey.wilson-parker@fcc.gov</a>;
- (3) Adam Kirschenbaum, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C211, Washington, D.C. 20554; e-mail: adam.kirschenbaum@fcc.gov;
- (4) Susan O'Connell, Policy Division, International Bureau, 445 12th Street, S.W., Room 7-B544, Washington, D.C. 20554; email: susan.o'connell@fcc.gov; and
- (5) James Bird, Office of General Counsel, 445 12th Street, S.W., Room 8-C824, Washington, D.C. 20554; e-mail: james.bird@fcc.gov.

Filings and comments are also available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CYB402, Washington, D.C. 20554, telephone: (202) 488-5300, fax: (202) 488-5563, or via e-mail <a href="https://www.bcpiweb.com">www.bcpiweb.com</a>.

For further information, please contact Tracey Wilson-Parker at (202) 418-1394, or Adam Kirschenbaum at (202) 418-7280.